

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 September 2013**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

*(The figures have not been audited)*

|                                                                  | Individual Financial<br>Quarter Ended |                      | Cumulative Financial<br>Quarter Ended |                      |
|------------------------------------------------------------------|---------------------------------------|----------------------|---------------------------------------|----------------------|
|                                                                  | 30.09.2013<br>RM'000                  | 30.09.2012<br>RM'000 | 30.09.2013<br>RM'000                  | 30.09.2012<br>RM'000 |
| Revenue                                                          | 4,812                                 | 3,664                | 15,164                                | 13,566               |
| Cost of sales                                                    | (1,505)                               | (1,535)              | (4,441)                               | (5,311)              |
| <b>Gross profit</b>                                              | <u>3,307</u>                          | <u>2,129</u>         | <u>10,723</u>                         | <u>8,255</u>         |
| Other income                                                     | 269                                   | 183                  | 636                                   | 674                  |
| Other operating expenses                                         | (394)                                 | (398)                | (1,140)                               | (1,092)              |
| Marketing expenses                                               | (2)                                   | (6)                  | (22)                                  | (27)                 |
| Administrative expenses                                          | (950)                                 | (969)                | (2,779)                               | (2,751)              |
| Finance costs                                                    | (9)                                   | (18)                 | (34)                                  | (53)                 |
| <b>Profit before tax</b>                                         | <u>2,221</u>                          | <u>921</u>           | <u>7,384</u>                          | <u>5,006</u>         |
| Tax expense                                                      | (603)                                 | (349)                | (1,887)                               | (383)                |
| <b>Profit for the period</b>                                     | <u>1,618</u>                          | <u>572</u>           | <u>5,497</u>                          | <u>4,623</u>         |
| <b>Other comprehensive income<br/>for the period, net of tax</b> | <u>-</u>                              | <u>-</u>             | <u>-</u>                              | <u>-</u>             |
| <b>Total comprehensive income<br/>for the period</b>             | <u><u>1,618</u></u>                   | <u><u>572</u></u>    | <u><u>5,497</u></u>                   | <u><u>4,623</u></u>  |
| <b>Profit for the period<br/>attributable to:</b>                |                                       |                      |                                       |                      |
| Owners of the parent                                             | 1,608                                 | 569                  | 5,529                                 | 4,665                |
| Non-controlling interests                                        | 10                                    | 3                    | (32)                                  | (42)                 |
|                                                                  | <u>1,618</u>                          | <u>572</u>           | <u>5,497</u>                          | <u>4,623</u>         |
| <b>Earnings per share</b>                                        |                                       |                      |                                       |                      |
| - Basic (sen)                                                    | <u>0.78</u>                           | <u>0.28</u>          | <u>2.67</u>                           | <u>2.26</u>          |
| - Diluted (sen)                                                  | <u>N/A</u>                            | <u>N/A</u>           | <u>N/A</u>                            | <u>N/A</u>           |

*(The unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.)*

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 September 2013**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*(The figures have not been audited)*

|                                                    | Note | (Unaudited)<br>30.09.2013<br>RM'000 | (Audited)<br>31.12.2012<br>RM'000 |
|----------------------------------------------------|------|-------------------------------------|-----------------------------------|
| <b>ASSETS</b>                                      |      |                                     |                                   |
| <b>Non-current assets</b>                          |      |                                     |                                   |
| Property, plant and equipment                      |      | 7,485                               | 7,941                             |
| Development costs                                  |      | 7,079                               | 6,361                             |
| Intangible assets                                  |      | -                                   | 50                                |
| <b>Total non-current assets</b>                    |      | 14,564                              | 14,352                            |
| <b>Current assets</b>                              |      |                                     |                                   |
| Inventories                                        |      | 55                                  | 56                                |
| Trade and other receivables                        |      | 5,304                               | 6,715                             |
| Cash and cash equivalents                          | B7   | 28,573                              | 26,331                            |
| <b>Total current assets</b>                        |      | 33,932                              | 33,102                            |
| <b>TOTAL ASSETS</b>                                |      | <b>48,496</b>                       | <b>47,454</b>                     |
| <b>EQUITY AND LIABILITIES</b>                      |      |                                     |                                   |
| <b>Equity attributable to owners of the parent</b> |      |                                     |                                   |
| Share capital                                      |      | 20,677                              | 20,677                            |
| Reserves                                           |      | 16,983                              | 19,725                            |
|                                                    |      | 37,660                              | 40,402                            |
| Non-controlling interests                          |      | 25                                  | (63)                              |
| <b>TOTAL EQUITY</b>                                |      | <b>37,685</b>                       | <b>40,339</b>                     |

*(The unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.)*

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 September 2013**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)**

*(The figures have not been audited)*

|                                                                                | Note | (Unaudited)<br>30.09.2013<br>RM'000 | (Audited)<br>31.12.2012<br>RM'000 |
|--------------------------------------------------------------------------------|------|-------------------------------------|-----------------------------------|
| <b>EQUITY AND LIABILITIES</b>                                                  |      |                                     |                                   |
| <b>(continued)</b>                                                             |      |                                     |                                   |
| <b>Non-current liabilities</b>                                                 |      |                                     |                                   |
| Borrowings                                                                     | B8   | 89                                  | 486                               |
| Deferred tax liabilities                                                       |      | 871                                 | 871                               |
| <b>Total non-current liabilities</b>                                           |      | 960                                 | 1,357                             |
| <b>Current liabilities</b>                                                     |      |                                     |                                   |
| Trade and other payables                                                       |      | 7,807                               | 5,074                             |
| Borrowings                                                                     | B8   | 526                                 | 499                               |
| Current tax liabilities                                                        |      | 1,518                               | 185                               |
| <b>Total current liabilities</b>                                               |      | 9,851                               | 5,758                             |
| <b>TOTAL LIABILITIES</b>                                                       |      | 10,811                              | 7,115                             |
| <b>TOTAL EQUITY AND LIABILITIES</b>                                            |      | <b>48,496</b>                       | <b>47,454</b>                     |
| <b>Net assets per share attributable to equity holders of the Company (RM)</b> |      | 0.18                                | 0.20                              |

*(The unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.)*

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 September 2013**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

*(The figures have not been audited)*

|                                                                        | <b>Share<br/>Capital<br/>RM'000</b> | <b>Retained<br/>Earnings<br/>RM'000</b> | <b>Total<br/>Attributable<br/>to the<br/>Owners of<br/>the Parent<br/>RM'000</b> | <b>Non-<br/>Controlling<br/>Interests<br/>RM'000</b> | <b>Total<br/>Equity<br/>RM'000</b> |
|------------------------------------------------------------------------|-------------------------------------|-----------------------------------------|----------------------------------------------------------------------------------|------------------------------------------------------|------------------------------------|
| <u>9 Months Period Ended</u>                                           |                                     |                                         |                                                                                  |                                                      |                                    |
| <u>30 September 2013</u>                                               |                                     |                                         |                                                                                  |                                                      |                                    |
| At 1 January 2013                                                      | 20,677                              | 19,725                                  | 40,402                                                                           | (63)                                                 | <b>40,339</b>                      |
| Total comprehensive income for the period                              | -                                   | 5,529                                   | 5,529                                                                            | (32)                                                 | <b>5,497</b>                       |
| Ordinary share contributed by non controlling interest of a subsidiary | -                                   | -                                       | -                                                                                | 120                                                  | <b>120</b>                         |
| Dividend declared                                                      | -                                   | (8,271)                                 | (8,271)                                                                          | -                                                    | <b>(8,271)</b>                     |
| At 30 September 2013                                                   | <u>20,677</u>                       | <u>16,983</u>                           | <u>37,660</u>                                                                    | <u>25</u>                                            | <u><b>37,685</b></u>               |
| <u>9 Months Period Ended</u>                                           |                                     |                                         |                                                                                  |                                                      |                                    |
| <u>30 September 2012</u>                                               |                                     |                                         |                                                                                  |                                                      |                                    |
| At 1 January 2012                                                      | 20,677                              | 18,600                                  | 39,277                                                                           | 7                                                    | <b>39,284</b>                      |
| Total comprehensive income for the period                              | -                                   | 4,665                                   | 4,665                                                                            | (42)                                                 | <b>4,623</b>                       |
| Dividend paid                                                          | -                                   | (4,136)                                 | (4,136)                                                                          | -                                                    | <b>(4,136)</b>                     |
| At 30 September 2012                                                   | <u>20,677</u>                       | <u>19,129</u>                           | <u>39,806</u>                                                                    | <u>(35)</u>                                          | <u><b>39,771</b></u>               |

*(The unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.)*

## Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 September 2013

### CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

*(The figures have not been audited)*

|                                                          | Note | 9 Months Period Ended |                      |
|----------------------------------------------------------|------|-----------------------|----------------------|
|                                                          |      | 30.09.2013<br>RM'000  | 30.09.2012<br>RM'000 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>              |      |                       |                      |
| Profit before tax                                        |      | 7,384                 | 5,006                |
| Adjustments for:                                         |      |                       |                      |
| Amortisation of development costs                        |      | 722                   | 670                  |
| Amortisation of intangible assets                        |      | 51                    | 75                   |
| Depreciation of property, plant and equipment            |      | 869                   | 759                  |
| Impairment loss on trade receivables                     |      | -                     | 24                   |
| Reversal of impairment loss on trade receivables         |      | -                     | (80)                 |
| Unrealised gain on foreign exchange                      |      | (53)                  | (77)                 |
| Loss/(Gain) on disposal of property, plant and equipment |      | 2                     | (27)                 |
| Property, plant and equipment written off                |      | -                     | *                    |
| Interest expense                                         |      | 34                    | 53                   |
| Interest income from deposits with licensed banks        |      | (545)                 | (582)                |
| Operating profit before working capital changes          |      | 8,464                 | 5,821                |
| Changes in working capital:                              |      |                       |                      |
| (Increase)/Decrease in inventories                       |      | 2                     | 1                    |
| Decrease in trade and other receivables                  |      | 1,507                 | 3,336                |
| Increase/(Decrease) in trade and other payables          |      | 2,724                 | (894)                |
| Cash generated from operations                           |      | 12,697                | 8,264                |
| Tax paid                                                 |      | (632)                 | (196)                |
| Interest expense                                         |      | (34)                  | (53)                 |
| Interest received                                        |      | 545                   | 582                  |
| Development costs incurred                               |      | (1,440)               | (1182)               |
| <b>Net cash from operating activities</b>                |      | <b>11,136</b>         | <b>7,415</b>         |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>              |      |                       |                      |
| Purchase of property, plant and equipment                |      | (423)                 | (901)                |
| Proceeds from disposal of property, plant and equipment  |      | 8                     | 33                   |
| <b>Net cash used in investing activities</b>             |      | <b>(415)</b>          | <b>(868)</b>         |

*(The unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.)*

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 September 2013**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)**

*(The figures have not been audited)*

|                                                                        | Note | 9 Months Period Ended |                      |
|------------------------------------------------------------------------|------|-----------------------|----------------------|
|                                                                        |      | 30.09.2013<br>RM'000  | 30.09.2012<br>RM'000 |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                            |      |                       |                      |
| Repayment of                                                           |      |                       |                      |
| - Finance lease liabilities                                            |      | (267)                 | (245)                |
| - Hire purchase liabilities                                            |      | (104)                 | (55)                 |
| - Term loan                                                            |      | -                     | (891)                |
| Dividend payment                                                       |      | (8,271)               | (4,136)              |
| Ordinary share contributed by non controlling interest of a subsidiary |      | 120                   | -                    |
| <b>Net cash used in financing activities</b>                           |      | <b>(8,522)</b>        | <b>(5,327)</b>       |
| <b>Net increase in cash and cash equivalents</b>                       |      | <b>2,200</b>          | <b>1,220</b>         |
| <b>Effects of exchange rate changes</b>                                |      | <b>42</b>             | <b>44</b>            |
| <b>Cash and cash equivalents at 1 January</b>                          |      | <b>26,331</b>         | <b>25,332</b>        |
| <b>Cash and cash equivalents at 30 September</b>                       | B7   | <b>28,573</b>         | <b>26,596</b>        |

Notes:

\* Denotes amount less than RM1,000

*(The unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.)*

## A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”)

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### A1. Basis of Preparation

The unaudited interim financial statements, for the period ended 30 September 2013, have been prepared in accordance with MFRS 134, *Interim Financial Reporting* issued by the Malaysian Accounting Standard Board (“MASB”) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The unaudited interim financial statements should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 31 December 2012. The explanatory notes attached to the interim financial statements provide an explanation of events and transaction that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2012.

At the date of issuance of this unaudited interim financial statements, the MFRSs, amendments to MFRSs and IC Interpretation have been issued by MASB but not yet effective are as listed below:

***Effective for financial period beginning on or after 1 January 2013:***

|                                            |                                                                                                                           |
|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|
| MFRS 10                                    | Consolidated Financial Statements                                                                                         |
| MFRS 11                                    | Joint Arrangements                                                                                                        |
| MFRS 12                                    | Disclosure of Interests in Other Entities                                                                                 |
| MFRS 13                                    | Fair Value Measurement                                                                                                    |
| MFRS 119                                   | Employee Benefits (as amended by IASB in September 2011)                                                                  |
| MFRS 127                                   | Separate Financial Statements (as amended by IASB in May 2011)                                                            |
| MFRS 128                                   | Investments in Associates and Joint Ventures (as amended by IASB in May 2011)                                             |
| IC Interpretation 20                       | Stripping Costs in the Production Phase of a Surface Mine                                                                 |
| Amendments to MFRS 1                       | Government Loans                                                                                                          |
| Amendments to MFRS 7                       | Disclosures - Offsetting Financial Assets and Financial Liabilities                                                       |
| Amendments to MFRSs                        | Annual Improvements 2009 – 2012 Cycle                                                                                     |
| Amendments to MFRS 10, MFRS 11 and MFRS 12 | Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities : Transition Guidance |
| MFRS 3                                     | Business Combinations (IFRS 3 Business Combinations issued by IASB in March 2004)                                         |
| MFRS 127                                   | Consolidated and Separate Financial Statements (as issued by the IASB in December 2003)                                   |

**A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”) (continued)**

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**A1. Basis of Preparation (continued)**

*Effective for financial period beginning on or after 1 January 2014:*

Amendments to MFRS 132 Offsetting Financial Assets and Financial Liabilities

*Effective for financial period beginning on or after 1 January 2015:*

|        |                                                                |
|--------|----------------------------------------------------------------|
| MFRS 9 | Financial Instruments (IFRS 9 issued by IASB in November 2009) |
| MFRS 9 | Financial Instruments (IFRS 9 issued by IASB in October 2010)  |

**A2. Auditors’ Report on Preceding Annual Financial Statements**

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2013 was not qualified.

**A3. Seasonality or Cyclicity of Interim Operations**

There were no seasonal or cyclical factors affecting the results of the Group for the current financial quarter under review.

**A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

During the current financial quarter under review, there were no items or events that arose, which affected assets, liabilities, equity, net income or cash flows, that are unusual by reason of their nature, size or incidence.

**A5. Material Changes in Accounting Estimates**

There was no material changes in estimates of amounts reported in the prior financial year that has a material effect on the current financial quarter under review.

**A6. Issuances, Cancellation, Repurchases, Resale and Repayments of Debts and Equity Securities**

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellation, shares held as treasury shares and resale of treasury shares for the current financial quarter under review.



**A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”) (continued)**

**A7. Dividends Paid and Distributed**

On 24 February 2012, the Board of Directors had declared a first interim tax exempt dividend of 10% equivalent to 1.0 sen per ordinary share of RM0.10 each, amounting to approximately RM2.07 million in respect of the financial year ending 31 December 2012. The dividend was paid to the shareholders of Excel Force MSC Berhad (“EForce”) on 10 April 2012.

On 25 May 2012, the Board of Directors had declared a second interim tax exempt dividend of 10% equivalent to 1.0 sen per ordinary share of RM0.10 each, amounting to approximately RM2.07 million in respect of the financial year ending 31 December 2012. The dividend was paid to the shareholders of Excel Force MSC Berhad (“EForce”) on 28 September 2012.

On 30 May 2013, the Board of Directors had declared a first interim tax exempt dividend of 15% equivalent to 1.5 sen per ordinary share of RM0.10 each, amounting to approximately RM3.10 million in respect of the financial year ending 31 December 2013. The dividend will be paid to the shareholders of the Company on 08 July 2013.

On 03 September 2013, the Board of Directors had declared a second interim tax exempt dividend of 25% equivalent to 2.5 sen per ordinary share of RM0.10 each, amounting to approximately RM5,169 million in respect of the financial year ending 31 December 2013. The dividend will be paid to the shareholders of the Company on 10 October 2013.

|                                                                                                          | <b>9 Months Period Ended</b> |                   |
|----------------------------------------------------------------------------------------------------------|------------------------------|-------------------|
|                                                                                                          | <b>30.09.2013</b>            | <b>30.09.2012</b> |
| <b>In respect of the financial year ended 30 September</b>                                               | <b>RM'000</b>                | <b>RM'000</b>     |
| 2012: First interim tax exempt dividend of 1.0 sen per ordinary share of RM0.10, paid on 10 April 2012   | N/A                          | 2,098             |
| : Second interim tax exempt dividend of 1.0 sen per ordinary share of RM0.10, paid on 28 September 2012  | N/A                          | 2,098             |
| 2013: First interim tax exempt dividend of 1.5 sen per ordinary share of RM0.10, paid on 08 July 2013    | 3,102                        | N/A               |
| : Second interim tax exempt dividend of 2.5 sen per ordinary share of MR0.10, payable on 10 October 2013 | 5,169                        | N/A               |
|                                                                                                          | <b>8,271</b>                 | <b>4,136</b>      |

**A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”) (continued)**

**A8. Segmental Reporting**

Segment information is presented in respect of the Group’s business segments.

- (i) Application Solutions (“AS”)
  - Sales of software applications and product on an outright purchase basis.
- (ii) Application Services Providers (“ASP”)
  - Income from outsourcing service charge which is volume and transaction based.
- (iii) Maintenance Services
  - Provision of maintenance services.

**(a) Individual Quarter**

| <b><u>3 Months Period Ended</u></b><br><b><u>30 September 2013</u></b>       | <b>AS</b><br><b>RM’000</b> | <b>ASP</b><br><b>RM’000</b> | <b>Maintenance</b><br><b>Services</b><br><b>RM’000</b> | <b>Total</b><br><b>RM’000</b> |
|------------------------------------------------------------------------------|----------------------------|-----------------------------|--------------------------------------------------------|-------------------------------|
| <b>Revenue</b>                                                               |                            |                             |                                                        |                               |
| Total revenue                                                                | 330                        | 3,965                       | 526                                                    | 4,821                         |
| Inter-segment revenue                                                        | -                          | (9)                         | -                                                      | (9)                           |
| Revenue from external customers                                              | 330                        | 3,956                       | 526                                                    | 4,812                         |
| <b>Results</b>                                                               |                            |                             |                                                        |                               |
| Segment results                                                              | 31                         | 1,709                       | 272                                                    | 2,012                         |
| Finance costs                                                                |                            |                             |                                                        | (9)                           |
| Interest income from deposits with licensed bank                             |                            |                             |                                                        | 218                           |
| Profit before tax                                                            |                            |                             |                                                        | 2,221                         |
| Income tax expense                                                           |                            |                             |                                                        | (603)                         |
| <b>Net profit for the period / Total comprehensive income for the period</b> |                            |                             |                                                        | <b>1,618</b>                  |

**A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”) (continued)**

**A8. Segmental Reporting (continued)**

| <b><u>3 Months Period Ended</u></b><br><b><u>30 September 2012</u></b>       | <b>AS</b><br><b>RM'000</b> | <b>ASP</b><br><b>RM'000</b> | <b>Maintenance</b><br><b>Services</b><br><b>RM'000</b> | <b>Total</b><br><b>RM'000</b> |
|------------------------------------------------------------------------------|----------------------------|-----------------------------|--------------------------------------------------------|-------------------------------|
| <b>Revenue</b>                                                               |                            |                             |                                                        |                               |
| Total revenue                                                                | 775                        | 2,729                       | 163                                                    | 3,667                         |
| Inter-segment revenue                                                        | -                          | (3)                         | -                                                      | (3)                           |
| Revenue from external customers                                              | 775                        | 2,726                       | 163                                                    | 3,664                         |
| <b>Results</b>                                                               |                            |                             |                                                        |                               |
| Segment results                                                              | (129)                      | 771                         | 77                                                     | 719                           |
| Finance costs                                                                |                            |                             |                                                        | (18)                          |
| Interest income from deposits with licensed bank                             |                            |                             |                                                        | 220                           |
| Profit before tax                                                            |                            |                             |                                                        | 921                           |
| Income tax expense                                                           |                            |                             |                                                        | (349)                         |
| <b>Net profit for the period / Total comprehensive income for the period</b> |                            |                             |                                                        | <b>572</b>                    |

**(b) Cumulative quarter**

| <b><u>9 Months Period Ended</u></b><br><b><u>30 September 2013</u></b>       | <b>AS</b><br><b>RM'000</b> | <b>ASP</b><br><b>RM'000</b> | <b>Maintenance</b><br><b>Services</b><br><b>RM'000</b> | <b>Total</b><br><b>RM'000</b> |
|------------------------------------------------------------------------------|----------------------------|-----------------------------|--------------------------------------------------------|-------------------------------|
| <b>Revenue</b>                                                               |                            |                             |                                                        |                               |
| Total revenue                                                                | 2,580                      | 10,522                      | 2,078                                                  | 15,180                        |
| Inter-segment revenue                                                        | -                          | (16)                        | -                                                      | (16)                          |
| Revenue from external customers                                              | 2,580                      | 10,506                      | 2,078                                                  | 15,164                        |
| <b>Results</b>                                                               |                            |                             |                                                        |                               |
| Segment results                                                              | 1,220                      | 4,459                       | 1,194                                                  | 6,873                         |
| Finance costs                                                                |                            |                             |                                                        | (34)                          |
| Interest income from deposits with licensed bank                             |                            |                             |                                                        | 545                           |
| Profit before tax                                                            |                            |                             |                                                        | 7,384                         |
| Income tax expense                                                           |                            |                             |                                                        | (1,887)                       |
| <b>Net profit for the period / Total comprehensive income for the period</b> |                            |                             |                                                        | <b>5,497</b>                  |

**A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”) (continued)**

**A8. Segmental Reporting (continued)**

| <b><u>9 Months Period Ended</u></b><br><b><u>30 September 2012</u></b>       | <b>AS</b><br><b>RM’000</b> | <b>ASP</b><br><b>RM’000</b> | <b>Maintenance</b><br><b>Services</b><br><b>RM’000</b> | <b>Total</b><br><b>RM’000</b> |
|------------------------------------------------------------------------------|----------------------------|-----------------------------|--------------------------------------------------------|-------------------------------|
| <b>Revenue</b>                                                               |                            |                             |                                                        |                               |
| Total revenue                                                                | 5,319                      | 7,747                       | 510                                                    | 13,576                        |
| Inter-segment revenue                                                        | -                          | (10)                        | -                                                      | (10)                          |
| Revenue from external customers                                              | 5,319                      | 7,737                       | 510                                                    | 13,566                        |
| <b>Results</b>                                                               |                            |                             |                                                        |                               |
| Segment results                                                              | 2,058                      | 2,186                       | 233                                                    | 4,477                         |
| Finance costs                                                                |                            |                             |                                                        | (53)                          |
| Interest income from deposits with licensed bank                             |                            |                             |                                                        | 582                           |
| Profit before tax                                                            |                            |                             |                                                        | 5,006                         |
| Income tax expense                                                           |                            |                             |                                                        | (383)                         |
| <b>Net profit for the period / Total comprehensive income for the period</b> |                            |                             |                                                        | <b>4,623</b>                  |

**A10. Changes in the Composition of the Group**

There was no material event subsequent to the current financial quarter ended 30 September 2013 up to the date of the announcement of this report which is likely to substantially affect the results of the operations of the Group for the current financial quarter under review

There were no changes in the composition of the Group during the current financial quarter under review.

**A11. Changes in Contingent Liabilities or Contingent Assets**

There were no material contingent liabilities or contingent assets for the current financial quarter under review.

**A12. Recurrent Related Party Transactions (“RRPT”)**

There were no RRPT in the Group during the current financial quarter under review.

**A13. Capital Commitments**

As at 30 September 2013, the Group has no material capital commitment in respect of property, plant and equipment.

## B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B)

### B1. Review of Group's Performance

#### *Current Year- to date vs. Previous Year-to date*

For the financial year ending 30 September 2013, the Group registered a turnover of RM15.164 million, 12% (or RM1.598 million) higher than the same period last year. The increase in the revenue was mainly due to growth contribution from Maintenance and Application Service Provider (ASP) segment, which achieved 307% and 36% growth respectively.

The Gross Profit (GP) for the 9 months period ending 30 September 2013 has increased by RM2.468 million to RM10.723 million, represent 30% improvement compared to previous year corresponding period. This is mainly due to lower purchases and lower direct technical staff cost. The GP margin has also increase from 61% to 71%.

The PBT for the 9 months ending 30 September 2013 has been improved from RM5.005 million to RM7.384 million, a growth of RM2.378 million (or 48%) compared to previous year same period. As a result the PAT has also increase from RM4.622 million to RM5.497 million, represent 19% (RM875K) improvement compared to the same correspondence period last year.

### B2. Variation of Results against Preceding Quarter

|                         | Q3 2013 | Q2 2013 | < ----- Increase by ----- > |       |
|-------------------------|---------|---------|-----------------------------|-------|
|                         | RM'000  | RM'000  | RM'000                      | %     |
| Revenue                 | 4,812   | 4,399   | 414                         | 9.00  |
| PBT (Profit before tax) | 2,221   | 1,617   | 604                         | 37.00 |
| PAT (Profit after Tax)  | 1,618   | 1,218   | 400                         | 33.00 |

The Group's revenue for current quarter had increase by RM414K or 9% to RM4.812 million compared to the immediate preceding quarter. This was mainly due to higher sales generated from Application Service Provider (ASP) and maintenance segment.

PBT in current quarter stood at RM2,221 million, a improvement of 37% or RM604K compared to immediate preceding quarter mainly due to higher revenue, lower purchases and lower project cost.

Similarly, PAT had also increase to RM1.618 million compared to RM1.218 million recorded in preceding quarter.

### B3. Prospects for 2013

Looking ahead, the Group will continue to focus on enhancement, development and implementation of its products. In spite of uncertainties in world economic climate, the Board remains optimistic of achieving a satisfactory performance for the financial year ending 31 December 2013.

### B4. Variance of Profit Forecast and Shortfall in Profit Guarantee

The Group has not issued any profit forecast nor profit guarantee for the current financial quarter under review and the financial period to-date.

**B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B) (continued)**

**B5. Taxation**

The taxation charge for the individual financial quarter and the cumulative financial quarter are as follows:

|              | Individual Financial<br>Quarter Ended |                    | Cumulative Financial<br>Quarter Ended |                    |
|--------------|---------------------------------------|--------------------|---------------------------------------|--------------------|
|              | 30.09.13<br>RM'000                    | 30.09.12<br>RM'000 | 30.09.13<br>RM'000                    | 30.09.12<br>RM'000 |
| Income tax   | 603                                   | 349                | 1,887                                 | 383                |
| Deferred tax | -                                     | -                  | -                                     | -                  |
|              | <u>603</u>                            | <u>349</u>         | <u>1,887</u>                          | <u>383</u>         |

The significant increase in taxation is due to the tax exempt pioneer status that expired since 15 May 2012.

**B6. Status of Corporate Proposals**

There were no corporate proposals announced as at the date of this quarterly report.

**B7. Cash and cash equivalents**

The Group cash and cash equivalents as at 30 September 2013 comprise of:-

|                              | RM'000        |
|------------------------------|---------------|
| Cash in hand                 | 14            |
| Cash at banks                | 2,119         |
| Deposits with licensed banks | 26,440        |
|                              | <u>28,573</u> |

**B8. Group Borrowings and Debt Securities**

The Group borrowings as at 30 September 2013 were as follow:-

|              | Finance<br>Lease<br>RM'000 | Hire<br>Purchase<br>RM'000 | Total<br>RM'000 |
|--------------|----------------------------|----------------------------|-----------------|
| Current      | 380                        | 146                        | 526             |
| Non- current | -                          | 89                         | 89              |
|              | <u>380</u>                 | <u>235</u>                 | <u>615</u>      |

**B9. Off Balance Sheet Financial Instruments**

The Company does not have any off balance sheet financial instruments as at the date of this report.

## B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B) (continued)

### B10. Material Litigation

The Group is not engaged in any material litigation either as plaintiff or defendant and the Board does not have any knowledge of any proceedings pending or threatened against the Group as at the date of this report.

### B11. Dividends

On 24 February 2012, the Board of Directors had declared a first interim tax exempt dividend of 10% equivalent to 1.0 sen per ordinary share of RM0.10 each, amounting to approximately RM2.07 million in respect of the financial year ending 31 December 2012. The dividend was paid to the shareholders of EForce on 10 April 2012.

On 25 May 2012, the Board of Directors had declared a second interim tax exempt dividend of 10% equivalent to 1.0 sen per ordinary share of RM0.10 each, amounting to approximately RM2.07 million in respect of the financial year ending 31 December 2012. The dividend was paid to the shareholders of Excel Force MSC Berhad (“EForce”) on 28 September 2012.

On 30 May 2013, the Board of Directors had declared a first interim tax exempt dividend of 15% equivalent to 1.5 sen per ordinary share of RM0.10 each, amounting to approximately RM3.10 million in respect of the financial year ending 31 December 2013. The dividend will be paid to the shareholders of the Company on 08 July 2013.

On 03 September 2013, the Board of Directors had declared a second interim tax exempt dividend of 25% equivalent to 2.5 sen per ordinary share of RM0.10 each, amounting to approximately RM5,169 million in respect of the financial year ending 31 December 2013. The dividend will be paid to the shareholders of the Company on 10 October 2013.

| In respect of the financial year ended 30 September                                                          | 9 Months Period Ended |                      |
|--------------------------------------------------------------------------------------------------------------|-----------------------|----------------------|
|                                                                                                              | 30.09.2013<br>RM'000  | 30.09.2012<br>RM'000 |
| 2012: First interim tax exempt dividend of 1.0 sen per ordinary share of RM0.10, paid on 10 April 2012       | N/A                   | 2,068                |
| 2012: Second interim tax exempt dividend of 1.0 sen per ordinary share of RM0.10, paid on 28 September 2012  | N/A                   | 2,068                |
| 2013: First interim tax exempt dividend of 1.5 sen per ordinary share of RM0.10, paid on 08 July 2013        | 3,102                 | N/A                  |
| 2013: Second interim tax exempt dividend of 2.5 sen per ordinary share of RM0.10, payable on 10 October 2013 | 5,169                 | N/A                  |
|                                                                                                              | <b>8,271</b>          | <b>4,136</b>         |

**B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B) (continued)**

**B12. Earnings per Share ("EPS")**

|                                                            | Individual Financial<br>Quarter Ended |             | Cumulative Financial<br>Quarter Ended |             |
|------------------------------------------------------------|---------------------------------------|-------------|---------------------------------------|-------------|
|                                                            | 30.09.13                              | 30.09.12    | 30.09.13                              | 30.09.12    |
| <b><u>(a) Basic EPS</u></b>                                |                                       |             |                                       |             |
| Net profit for the period (RM'000)                         | 1,608                                 | 569         | 5,529                                 | 4,665       |
| Weighted average number of ordinary shares in issue ('000) | 206,768                               | 206,768     | 206,768                               | 206,768     |
| Basic EPS (sen)                                            | <u>0.78</u>                           | <u>0.28</u> | <u>2.67</u>                           | <u>2.26</u> |

The calculation of the basic EPS is based on the net profit (attributable to the owners of the parent) for the current financial quarter under review and the cumulative financial quarter ended 30 September 2013, divided by the adjusted weighted average number of ordinary shares of RM0.10 each in issue during the current financial quarter and the said cumulative financial quarter.

**(b) Diluted EPS**

The Group does not have in issue any financial instruments, convertible securities and / or other contracts that may entitle its holders to new ordinary shares and therefore dilute its basic earnings per share.

**B13. Realised and Unrealised Profits**

The breakdown of retained profits of the Group as at 30 September 2013 into realised and unrealised profits, pursuant to the directive issued by Bursa Securities dated 25 March 2010, is as follow:

|                                                             | As At<br>30.09.13<br>RM'000 | As At<br>30.06.13<br>RM'000 |
|-------------------------------------------------------------|-----------------------------|-----------------------------|
| Total retained profits of the Company and its subsidiaries: |                             |                             |
| - Realised                                                  | 17,682                      | 21,220                      |
| - Unrealised (loss) / profit                                | (923)                       | (910)                       |
|                                                             | <u>16,759</u>               | <u>20,310</u>               |
| Add: Consolidation adjustments                              | 224                         | 235                         |
| Total Group retained profits as per consolidated accounts   | <u>16,983</u>               | <u>20,545</u>               |

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.



**B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B) (continued)**

**B14. Profit for the Period**

|                                                         | Individual Financial<br>Quarter Ended |                    | Cumulative Financial<br>Quarter Ended |                    |
|---------------------------------------------------------|---------------------------------------|--------------------|---------------------------------------|--------------------|
|                                                         | 30.09.13<br>RM'000                    | 30.09.12<br>RM'000 | 30.09.13<br>RM'000                    | 30.09.12<br>RM'000 |
| <b>Profit for the period is arrived after charging:</b> |                                       |                    |                                       |                    |
| Amortisation of development costs                       | 240                                   | 223                | 723                                   | 670                |
| Amortisation of intangible assets                       | -                                     | 25                 | 51                                    | 75                 |
| Depreciation of property, plant and equipment           | 297                                   | 268                | 869                                   | 759                |
| Finance costs                                           | 9                                     | 18                 | 34                                    | 53                 |
| Impairment loss on trade receivables                    | -                                     | 24                 | -                                     | 24                 |
| Loss on foreign exchange                                | 2                                     | 3                  | 4                                     | 5                  |
| Loss on disposal of property, plant and equipment       | -                                     | -                  | 1                                     | *                  |
| <b>and after crediting:</b>                             |                                       |                    |                                       |                    |
| Gain on disposal of property, plant and equipment       | -                                     | -                  | -                                     | 27                 |
| Gain on foreign exchange                                | 44                                    | -                  | 83                                    | 77                 |
| Interest income from deposits with licensed bank        | 217                                   | 220                | 545                                   | 582                |
| Reversal of impairment loss on trade receivables        | -                                     | -                  | -                                     | 80                 |

Notes:

\* Denotes amount less than RM1,000